L&PS New Jersey Department of Law and Public Safety

Division of Gaming Enforcement John J. Farmer, Jr., Attorney General John Peter Suarez, Director

FOR IMMEDIATE RELEASE: October 16, 2001

FOR FURTHER INFORMATION CONTACT: Ronald George (973) 504-6327 Kerry Hand (609) 441-2533

Attorney General Announces Civil Action Against Internet Sports Betting Operations

TRENTON - Attorney General John J. Farmer, Jr. announced that the divisions of Gaming Enforcement and Consumer Affairs filed civil actions against several Internet based sports betting operations for acting in violation of New Jersey law by accepting wagers from individuals, including minors, located in New Jersey.

The defendants named in the suit include:

- •2betdsi.com
- •Intercasino.com
- •Laythepoints.com
- •Sportingbet.com
- •Sportsbook.com
- •Intertops.com
- •BetonSports.com
- •Betmill.com

The Attorney General said that the state's suits allege that the defendants operate illegal sports book sites where New Jersey residents, via the Internet or telephone, can place wagers on professional and college sporting events.

During a joint investigation by the Division of Gaming Enforcement and the Division of Consumer Affairs, state investigators were able to log onto these Web sites, sign up for service and place wagers on athletic events taking place all across the country. Allowing individuals from New Jersey, including underage gamblers, to wager at their sites violates the New Jersey Constitution as well as New Jersey's civil and criminal statutes.

Attorney General Farmer said, "On both the state and federal level, sports book activity remains illegal and it is my department's responsibility to investigate such activity and enforce the law."

"The citizens of New Jersey need to be aware that these sports betting operations are not regulated and they are illegal. Regardless of their occasional claims of 'licensing' and 'legality,' they answer to no one and are therefore not held to the same scrutiny as our Atlantic City casinos," said John Peter Suarez, Director of the Division of Gaming Enforcement

One critical concern is the lack of controls on Internet sports betting sites to prevent underage gambling. "As our joint investigation revealed, there are very few, if any, safeguards in place to prohibit a minor with access to a credit card from logging on. We will not allow these sites that permit minors to gamble with impunity to continue to flourish," said Division of Consumer Affairs Director Mark Herr.

The complaints filed in the Mercer County Superior Court, Chancery Division, ask the Court to enjoin the defendants from accepting wagers from individuals or entities located in New Jersey. The State also seeks an accounting of all money won from New Jersey residents in the past 12 months and asks that the defendants restore any money or property acquired by means of an alleged unlawful practice.

In addition to violations of New Jersey State law, Director Suarez said "We have written cease and desist letters to the telephone companies that provide toll- free services to these illegal Internet sites. Under federal law, the telephone companies will be required to comply with our demand."

Attorney General Farmer commended the divisions of Gaming Enforcement and Consumer Affairs for their continuing efforts to investigate and take action against illegal internet gambling web sites. "We are placing the operators of these sites on notice that if they accept wagers from New Jersey citizens, they are breaking the law and we will go after them," said Farmer.

###